

### **Insured Mortgages on Hawaiian Home Lands (Section 247)**

FHA insures loans made to native Hawaiians to purchase one- to four-family dwellings located on Hawaiian Home Lands. Regulations pertaining to these loans are the same as Section 203(b) loans except that the Section 247 loans are only available to Native Hawaiians on Hawaiian Home Lands.

**Nature of Program:** FHA's mortgage insurance provides opportunities to low- and moderate-income Native Hawaiians to purchase a home on Hawaiian Home Lands. Because a mortgage is taken on a homestead lease granted by the Department of Hawaiian Home Lands, many lenders have been reluctant to finance housing. With FHA insurance, the lender's risk is minimized, and this program increases the availability of mortgage credit to Native Hawaiians to live on Hawaiian Home Lands. FHA's low downpayment requirements and flexible underwriting standards increase the ability of Native Hawaiians to meet the requirements for the loan. A "Native Hawaiian" means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778 (or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian Home Lands, such lower percentage as may be established for such succession under Section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the constitution of the State of Hawaii adopted under Section 4 of the Act entitled, "An Act to provide for the admission of the State of Hawaii into the Union," approved March 18, 1959).

**Applicant Eligibility:** Native Hawaiians wishing to live on Hawaiian Home Land and intending to use the mortgaged property as their primary residence are eligible to apply for mortgage insurance.

**Legal Authority:** Section 247 of the National Housing Act (12 U.S.C. 1715z-12). Regulations are at 24 CFR 203.43i.

**Administering Office:** Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410.

**Information Sources:** Administering office and HUD field offices.  
On the Web: <http://portal.hud.gov/hudportal/HUD?src=/hudprograms/IMHHL>

**Current Status:** Active.